

**ASSEMBLY BILL**

**No. 1668**

**Introduced by Assembly Member Salinas**

February 21, 2003

---

---

An act to amend Sections 8278.3 and 54749 of the Education Code, relating to childcare funding.

LEGISLATIVE COUNSEL'S DIGEST

AB 1668, as introduced, Salinas. Childcare Facilities Revolving Fund.

Existing law establishes the Childcare Facilities Revolving Fund in the State Treasury to provide funding for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for childcare and development services and for the purchase of new relocatable childcare facilities for lease to school districts and contracting agencies that provide childcare and development services. Existing law requires the Superintendent of Public Instruction to annually submit a report to the Office of the Secretary for Education, the Department of Finance, and the Legislative Analyst's Office detailing the distribution of the funds, as prescribed.

This bill would specify that a school district or county office of education that provides childcare pursuant to the California School Age Families Education (Cal-SAFE) Program is eligible to apply for and receive funding from the fund.

This bill would make technical and conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 8278.3 of the Education Code is  
2 amended to read:

3 8278.3. (a) (1) The ~~Child-Care~~ *Childcare* Facilities  
4 Revolving Fund is hereby established in the State Treasury to  
5 provide funding for the renovation, repair, or improvement of an  
6 existing building to make the building suitable for licensure for  
7 ~~child-care~~ *childcare* and development services and for the purchase  
8 of new relocatable ~~child-care~~ *childcare* facilities for lease to school  
9 districts and contracting agencies that provide ~~child-care~~ *childcare*  
10 and development services, pursuant to this chapter. The  
11 Superintendent of Public Instruction may transfer state funds  
12 appropriated for ~~child-care~~ *childcare* facilities into this fund for  
13 allocation to school districts and contracting agencies, as  
14 specified, for the purchase, transportation, and installation of  
15 facilities for replacement and expansion of capacity. School  
16 districts and contracting agencies using facilities made available  
17 by the use of these funds shall be charged a leasing fee, either at  
18 a fair market value for those facilities or at an amount sufficient to  
19 amortize the cost of purchase and relocation, whichever *amount* is  
20 lower, over a 10-year period. Upon full repayment of the purchase  
21 and relocation costs, title shall transfer from the State of California  
22 to the school district or contracting agency. The Superintendent of  
23 Public Instruction shall deposit all revenue derived from the lease  
24 payments into the ~~Child-Care~~ *Childcare* Facilities Revolving  
25 Fund.

26 (2) Notwithstanding Section 13340 of the Government Code,  
27 all moneys in the fund, including moneys deposited from lease  
28 payments, ~~shall be~~ *are* continuously appropriated, without regard  
29 to fiscal ~~year~~ *years*, to the Superintendent of Public Instruction for  
30 expenditure pursuant to this article.

31 (b) ~~On or before August 1, 1998, and on or before August 1 of~~  
32 ~~each fiscal year thereafter,~~ the Superintendent of Public  
33 Instruction shall submit to the Office of the Secretary for  
34 Education, the Department of Finance, and the Legislative  
35 Analyst's Office a report detailing the number of funding requests  
36 received and their purpose, the types of agencies ~~which~~ *that*  
37 ~~received this facilities funding from the Childcare Facilities~~  
38 *Revolving Fund*, the increased capacity that these facilities

generated, a description of ~~how~~ *the manner in which* the facilities are being used, and a projection of the lease payments collected and the funds available for future use.

(c) *A school district or county office of education that provides childcare pursuant to the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29) is eligible to apply for and receive funding pursuant to this section.*

SEC. 2. Section 54749 of the Education Code is amended to read:

54749. (a) For the 2000–01 fiscal year and each fiscal year thereafter, a school district or county superintendent of schools participating in Cal-SAFE ~~shall be~~ *is* eligible for state funding from funds appropriated for services provided for the purposes of the program as follows:

(1) A support services allowance of two thousand two hundred thirty-seven dollars (\$2,237) for each unit of average daily attendance generated by each pupil who has completed the intake process pursuant to subdivision (a) of Section 54746 and is receiving services pursuant to subdivision (b) of Section 54746. This allowance shall be adjusted annually by the inflation factor set forth in subdivision (b) of Section 42238.1. In no event shall more than one support service allowance be generated by any pupil concurrently enrolled in more than one educational program.

This allowance may not be claimed for units of average daily attendance reported pursuant to the following:

(A) Subdivision (b) of Section 1982 for pupils attending county community schools operated pursuant to Chapter 6.5 of Part 2 (commencing with Section 1980).

(B) Pupils attending juvenile court schools operated pursuant to Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27.

(C) Pupils attending community day schools operated pursuant to Article 3 (commencing with Section 48660) of Chapter 4 of Part 27.

(D) Pupils attending *a* county operated Cal-SAFE ~~programs~~ *program* pursuant to this article whose attendance is reported pursuant to Section 2551.3.

(2) Average daily attendance and revenue limit funding for pupils receiving services in the Cal-SAFE program shall be

1 computed pursuant to provisions and regulations applicable to the  
2 educational program or programs that each pupil attends, except  
3 as provided in paragraph (3).

4 (3) For attendance not claimed pursuant to paragraph (2), *a*  
5 ~~county-offices~~ *office* of education may claim the statewide average  
6 revenue limit per unit of average daily attendance for high school  
7 districts, payable from Section A of the State School Fund, for the  
8 attendance of pupils receiving services in the Cal-SAFE program,  
9 provided that no other revenue limit funding is claimed for the  
10 same pupil and pupil attendance of no less than 240 minutes per  
11 day and is computed and maintained pursuant to Section 46300.

12 (4) Except as provided in subdivision (c) of Section 54749.5,  
13 operators of Cal-SAFE programs shall be reimbursed in  
14 accordance with the amount specified in subdivision (b) of Section  
15 8265 and the amounts specified in subdivisions (a) and (b) of  
16 Section 8265.5 for each child receiving services pursuant to the  
17 Cal-SAFE program who is the child of teen parents enrolled in the  
18 Cal-SAFE program. To be eligible for funding pursuant to this  
19 paragraph, the operational days of ~~child-care~~ *childcare* and  
20 development programs ~~shall be~~ *are* only those necessary to  
21 provide ~~child-care~~ *childcare* services to children of pupils  
22 participating in Cal-SAFE.

23 (5) Notwithstanding paragraph (1), pupils for whom  
24 attendance is reported pursuant to subdivision (b) of Section 1982,  
25 pupils attending juvenile court schools, and pupils attending  
26 community day schools may complete the intake process for the  
27 Cal-SAFE program and, if the intake process is completed, shall  
28 receive services pursuant to subdivision (b) of Section 54746. The  
29 children of pupils receiving services in the Cal-SAFE program  
30 pursuant to subdivision (b) of Section 54746 and attending  
31 juvenile court schools, county community schools, or community  
32 day schools ~~shall be~~ *are* eligible for funding pursuant to paragraph  
33 (4) and no other provisions of this section.

34 (b) Funds allocated pursuant to paragraph (1) of subdivision (a)  
35 shall be maintained in a separate account and shall be expended  
36 only to provide the supportive services enumerated in  
37 ~~subdivisions~~ *subdivision* (b) of Section 54746, in service training  
38 as specified in subdivision (d) of Section 54746, and expenditures  
39 enumerated in subdivision (d) of this section, to pupils enrolled in  
40 the Cal-SAFE program as determined pursuant to Section 54746.

(c) Funds allocated pursuant to paragraph (4) of subdivision (a) shall be maintained in a separate account and shall be expended only to provide developmentally appropriate ~~child-care~~ *childcare* and development services pursuant to subdivision (c) of Section 54746 and staff development of child development program staff pursuant to subdivision (d) of Section 54746 for children of teen parents enrolled in the Cal-SAFE program for the purpose of promoting the children's development comparable to age norms, access to health and preventive services, and enhanced school readiness.

(d) Funds generated pursuant to Section 2551.3, subdivision (b) of Section 54749.5, and this section shall be maintained in a separate account and shall be expended only to provide the services enumerated in Section 54746 and the following expenditures as defined by the California State School Accounting Manual:

(1) Expenditures defined as direct costs of instructional programs.

(2) Expenditures defined as documented direct support costs.

(3) Expenditures defined as allocated direct support costs.

(4) Expenditures for indirect charges.

(5) Expenditures defined as facility costs, including the costs of renting, leasing, lease purchase, remodeling, or improving buildings.

(e) Indirect costs ~~shall~~ *may* not exceed the lesser of the approved indirect cost rate or 10 percent.

(f) Expenditures that represent contract payments to community-based organizations and other governmental agencies pursuant to paragraph (10) of subdivision (b) of Section 54745 for the operation of a Cal-SAFE program shall be included in the Cal-SAFE program account.

(g) To the extent permitted by federal law, any funding made available to a school district or county superintendent of schools ~~shall be~~ *is* subject to all of the following conditions:

(1) The program is open to all eligible pupils without regard to any pupil's religious beliefs or any other factor related to religion.

(2) No religious instruction is included in the program.

(3) The space ~~in which~~ *where* the program is operated is not used in any manner to foster religion during the time used for operation of the program.

(h) A school district or county superintendent of schools implementing a Cal-SAFE program may establish a claims process to recover federal funds available for any services provided that are Medi-Cal eligible.

(i) For purposes of serving pupils enrolled in the Cal-SAFE program in a summer school program or enrolled in a school program operating more than 180 days, eligibility for ~~child-care~~ *childcare* services pursuant to subdivision (c) of Section 54746 shall be determined by the parent's hours of enrollment and shall be for only those hours necessary to further the completion of the parent's educational program.

(j) To meet startup costs for the opening of ~~child-care~~ *childcare* and development sites, as defined in subdivision ~~(ae)~~ *(ab)* of Section 8208, and applicable regulations, a school district or county office of education may apply for a one-time 15-percent service level exemption within the amount appropriated in the annual Budget Act for the purposes of paragraph (4) of subdivision (a) for each site meeting the ~~provision of criteria set forth in~~ subdivision ~~(ae)~~ *(ab)* of Section 8208. To the extent that Budget Act funding is insufficient to cover the full costs of Cal-SAFE ~~child-care~~ *childcare*, reimbursements to all participating programs shall be reduced on a pro rata basis. A school district or county office of education shall submit claims pursuant to this subdivision with other claims submitted pursuant to this section. Funding provided for startup costs shall be utilized for approvable startup costs enumerated in subdivision (a) of Section 8275.

(k) *To meet costs for the renovation, repair, or improvement of an existing building to make the building suitable for licensure for childcare and development services and for the purchase of new relocatable childcare facilities for lease to school districts and contracting agencies that provide childcare and development services, a school district or county office of education that provides childcare pursuant to this article may apply for and receive funding pursuant to Section 8278.3.*

(l) Notwithstanding any other provision of this article, ~~its~~ the implementation of this article is contingent upon appropriations in the annual Budget Act for the purpose of its administration and evaluation by the State Department of Education.

~~(+)~~

1     (*m*) Notwithstanding any other provision of law, a charter  
2 school may apply for funding pursuant to this article and shall meet  
3 the requirements of this article to be eligible for funding pursuant  
4 to this section.

O

